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#### MARYLAND HEALTH CARE COMMISSION

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October 11, 2019

# VIA E-MAIL AND REGULAR MAIL

Thomas Dame, Esquire Gallagher Evelius & Jones, L.L.P. 218 North Charles Street, Suite 400 Baltimore, Maryland 21201

Re: Request for Exemption from Certificate of Need Review

Consolidation of University of Maryland Shore Medical

Center at Dorchester and

University of Maryland Shore Medical Center at

Chestertown

**Acute Adult Psychiatric Services** 

Dear Mr. Dame,

Based on a review of the above-captioned request for exemption from Certificate of Need ("CON") review, Maryland Health Care Commission ("MHCC") staff has the following questions.

- 1. Please provide a revised Table L that delineates in more detail the position descriptions of the 26.9 full-time equivalent direct care staff needed to implement the project. Identify the positions and the average salary for each position.
- 2. Provide a discussion of the staffing plan for this project, including the likelihood of retaining existing psychiatric service staff and medical direction, as well as a discussion of the recruitment and retention challenges and how they will be overcome.

### CONSISTENCY WITH STATE HEALTH PLAN

### 3. AP 1a, Bed Need

The analysis appears to project that a psychiatric unit at Chestertown will achieve a psychiatric hospital market share in its projected service area of 68% while the unit at Cambridge has only achieved an actual psychiatric hospital market share of 48% in its actual service area.

- a. What are the fundamental differences in the characteristics of the projected service area and its relationship to Chestertown and/or the characteristics of the competition in the projected service area compared to those of the actual UM SMC at Dorchester in its actual service area that would support this assumption that a program located at Chestertown would achieve a higher market share?
- b. Can the service area market share experience of similarly-sized general hospital psychiatric units in Maryland be shown to support the market share assumptions being made in this request for exemption from Certificate of Need?
- 4. Do the Delaware Certificate of Public Review (CPR) applications referenced on page 14 identify the service areas of the Delaware hospitals listed in Table 10? If so, do these hospitals draw patients from the Mid-Shore jurisdictions? Please provide information on this patient origin data if available. If not, does the applicant have information on patient origin of any of these hospitals? If so, please provide this information.
- 5. On a related note, the applicants state (p. 15) that they "do not expect that UM SMC at Chestertown will compete with the inpatient psychiatric programs in Delaware," because the CPR applications include "projections of 90% to 100% occupancy. As such, they do not have the capacity to draw patients from UM SMC at Chestertown's service area." The exemption request seems to assume that the Delaware facilities' projections do not include Maryland patients. Is that indeed your assumption, and if so, have you verified that assumption?
- 6. In a series of tables beginning on page 6 the exemption request discusses continued access to psychiatric services, comparing drive times to UM SMC at Dorchester and UM SMC at Chestertown. For ease of analysis and comparison of alternatives please combine that information as shown in the chart below.

Zip Code	Community	Distance to:			
		UM SMC Dorchester	UM SMC Easton	UM SMC Chestertown	

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7. Did Shore consider the possibility of market shift to Peninsula Regional, whose adult behavioral health unit is considerably closer to several towns in the service area? For example, travel distances and times featured in the table immediately below show the trip from Cambridge to Salisbury to be much shorter than the trip to Chestertown, as is the trip from Hurlock (this list is not exhaustive, but an example). Please defend the position that the market share decline projected is realistic and not overly optimistic.

	Service area discharges	Proximity to Chestertown (Mi./mins.)	Proximity to Salisbury	Mkt share at Cambridge	Projected Mkt share at Chestertown
Cambridge	148	52/70	32/39	86.5	66.7
Easton	81	38/51	37/55	79.0	65.7
Chestertown	43		83/104	65.1	86.5
Hurlock	38	54/69	29/36	75.4	66.7
Federalsburg	31	48/64	30/43	70.7	45.9

- 8. **AP 2a, Written Procedures for 24/7 treatment:** Staff does not find any reference in the submitted policies stating that admissions and assessments are provided on a 24/7 basis. Please affirm an intention to comply with this requirement.
- 9. **AP 3c, Psychiatric consultation services:** Shore states that consultative services will be provided by University of Maryland ("UM") Shore Regional Health's Psychiatry Department by 4.0 FTE psychiatric providers.
  - a. What is the primary -i.e., "home base" -- location of these practitioners?
  - b. Provide the job description responsibilities of these consultants.
- 10. **AP 7, Denial of Admissions:** Describe the use of the psychiatric program at UM SMC at Dorchester for involuntary admissions. Will the proposed program at UM SMC at Chestertown accept involuntary admissions? If so, will the unit be designed with security features related to acceptance of involuntary admissions?
- 11. **AP 8, Uncompensated Care:** Will the level of uncompensated psychiatric service projected to be provided at UM Shore Medical Center ("SMC") at Chestertown be equivalent to that provided at UM SMC at Dorchester? Please provide detail.

# MORE EFFICIENT AND EFFECTIVE HEALTH CARE DELIVERY

- 12. Please specifically state the ways in which the effectiveness of psychiatric hospital services will improve if the services are provided at UM SMC at Chestertown rather than UM SMC at Easton.
- 13. Please describe and quantify the costs that will be avoided if psychiatric hospital services are provided at:

- a) UM SMC at Chestertown rather than UM SMC at Easton, other than the cost of including a psychiatric unit at a relocated Easton hospital.
- b) Easton rather than UM SMC at Chestertown.

Please be sure to include transportation and transfer costs associated with service provision at the alternative sites.

After this exercise, please place this cost analysis in the context of a demonstration that the proposed project will improve the efficiency of the health care delivery system. State all assumptions supporting this cost analysis.

- 14. Will the unit cost of psychiatric admissions or patient days be lower at UM SMC at Chestertown than at the relocated UM SMC at Easton? If so, please explain the basis for the lower cost.
- 15. The exemption request states that there is "a special transportation grant serving the regional needs of families and patients during the inpatient admission" supported by the Chester River Health Foundation. Please describe:
  - a. The Chester River Health Foundation;
  - b. Its mission; and
  - c. Its resources.
  - 16. Does the proposed operating budget include transportation costs associated with:
    - a) "patient transports from regional emergency departments provided by the health system through contractual interfacility transport services, not jurisdictional EMS, for behavioral health patients admitted from regional UM SRH emergency departments" (p. 30)?
    - b) Family transportation for care participation and coordination?

A line item for those costs do not appear on Tables H or J. What are those costs and what assumptions are tied to those estimates? If needed, submit corrected Tables H and J including those costs.

# THE PUBLIC INTEREST

- 17, MHCC staff has received a number of comments in opposition to the proposed project in recent weeks, including comments from the current behavioral health staff at UM SMC at Dorchester. (The material received to date is attached.) MHCC staff would like Shore's rebuttal of the following points made by commenters.
  - a. Locating the behavioral health program in Easton optimizes the ability to consolidate and centralize resources for more efficient use.

- b. An Easton location has the benefit of a more proximal location for necessary medical services and a wider array of community services that a patient may need.
- c. An Easton location will provide greater opportunities for partnering with other persons and organizations to improve behavioral health services.
- 17. The claim is made that about 84% of patients seen by the emergency behavioral health response team were from the Easton or Cambridge areas in the ten-month span of July 2018 to April 2019. Therefore, the proposed location of the behavioral health unit in Chestertown will "take away centralized mental health services from the population density where the need is the greatest to an area remote from said population." Please address this concern.
- 18. The assertion is made that the "community resources for psychiatric follow-up and housing are lacking in the Chestertown area," implying that such resources are more plentiful in Easton. Please comment.
- 19. The comments indicate that ambulance transport of mental health patients who need restraints is a safety issue especially when the trip will be over an hour long. Please address this concern.
- 20. The comments indicate that key medical staff are unwilling to staff a relocated behavioral health unit. How can this consequence of relocation be consistent with a finding that the project is in the public interest?
- 21. This proposal, if executed, will likely result in creating "winners" and losers." Thus the calculation of whether it is in the public interest needs to weigh the benefits realized by the winners against the harm suffered by the losers, to arrive at a finding regarding which choice provides the greatest good for the greatest number of people.

Considering the population of the five-county service area of Shore Health, please discuss the relative weight that can be reasonably assigned to the public interest of a) communities that will benefit from the proposed relocation in comparison to; b) communities that obtain no direct benefit from the relocation and will experience longer travel times to the site of service.

Sincerely, I demel

Jeanne Marie Gawel Health Analyst, Certificate of Need

cc: William H. Webb, Health Officer, Kent County Fredia J. Wadley, M.D., Health Officer, Talbot County Roger L. Harrell, M.H.A., Health Officer, Dorchester County